



State of California
Employment Training Panel

Arnold Schwarzenegger, Governor

December 11, 2008

Wendy Merlino, Project Administrator
Riverside County Economic Development Agency
1151 Spruce Street
Riverside, CA 92507

Dear Ms. Merlino:

RE: FINAL MONITORING VISIT REPORT for Riverside County EDA (RIVCOEDA) - ET07-0219

Date of the Visit:	08/08/08
Beginning/Ending Time:	1:00 p.m. - 2:30 p.m.
Date of Last Visit:	08/08/08
Visit Location:	Via Teleconference
Persons in attendance:	Wendy Merlino, Project Administrator, RIVCOEDA, and Carole Robinson, ETP Contract Analyst
Action Required:	No

CONTRACT INFORMATION:

Term of Agreement:	12/29/06 - 12/28/08	Agreement Amount:	\$294,040
Training Start Date:	01/30/07	No. to Retain:	360
Date Training must be Completed:	09/28/08	Range of Hours:	24 - 96
Type of Trainee:	Retrainee	Weighted Ave. Hours:	43

FINAL REPORT SUMMARY:

- HISTORY OF AGREEMENT CHANGES**

The Agreement was executed on 03/14/07 and training began on 01/30/07. You reported that all training was completed on 07/24/08, which allows for the 90-day retention period to be completed within the term ending date of the Agreement (12/28/08).

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ETP (04/15/05)

There were no Modification or Amendment requests initiated by RIVCOEDA during the term of this Agreement.

- **INTERVIEW WITH COMPANY REPRESENTATIVE**

You reported that surveys completed by RIVCOEDA's participating employers provided positive feedback regarding the quality and relevance of the Class/lab training offered through this Agreement. The surveys indicated that lean manufacturing training was critical in helping employers improve manufacturing time and processes by implementing lean processes. The employers stated that after production areas were re-organized, manufacturing processes became more efficient and waste/scrap was reduced or eliminated. The surveys also indicated the relevance of teambuilding and leadership sessions for newly promoted employees. These employees provided feedback that leadership skills learned in class were critical to their ability to interact verbally and/or in writing with previous co-workers they were now supervising.

Some of the participating employers also reported blueprint reading skills training allowed employees who previously possessed very limited ability to interpret engineering blueprints to participate more in manufacturing processes. This resulted in their ability to identify and report errors early in the manufacturing process allowing companies to correct mistakes before costly prototypes or parts were manufactured.

You informed Ms. Robinson that RIVCOEDA applied for its fifth ETP agreement and will be attending the January 2009 Panel meeting to request ETP funds to train 200 incumbent workers in Riverside, San Bernardino, Orange and Los Angeles Counties. The proposed training plan includes topics to help improve company operations that will allow participating employers in these counties to remain competitive using streamlined business processes.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Job Number	Number Started Training	Number Enrolled in Training	Number of Trainees Dropped (following enrollment)	Number of Trainees Completed Required Training Hours	Number Trainees In Retention	Number of Trainees Completed Retention
1	96	96	8	88	0	88
2	13	13	0	13	0	13
3	0	0	0	0	0	0
4	13	13	0	13	0	13
Totals:	122	122	8	114	0	114

- According to contractor records as of the date of this report, RIVCOEDA will retain 114 retrainees (32%) of the planned retentions. The aforementioned retrainees completed a

total of 4,684 hours of Class/lab training. Based on ETP records, the company will be eligible for a total reimbursement of approximately \$85,920 (29% of the ETP encumbered funds) if all other conditions of ETP eligibility are met. Current records show that RIVCOEDA has received \$82,884.75 of which \$52,920 are earned Final Payments and \$29,964.75 in unearned Progress Payments.

You stated that poor performance for this Agreement was a result of the national economic downturn effecting Riverside EDA's potential participating employers over the past two years. Riverside EDA states that several that were originally committed to participate decided against training, had emergency layoffs, or were forced to close.

- Ms. Robinson informed you that RIVCOEDA must submit a closeout invoice for this agreement no later than 01/27/09.

ATTENDANCE ROSTERS:

Because RIVCO had some minor difficulty in the past with attendance rosters and documentation of training hours, Ms. Robinson review faxed class/lab attendance rosters for four randomly selected retrainees enrolled in Job 1. She compared the rosters to the Agreement's Curriculum and checked to ensure that each roster contained the necessary information required by ETP, under Title 22, California Code of Regulations, 4442. She also compared the information on each roster with the hours entered in RIVCOEDA's ETP On-line tracking records.

Ms. Robinson found that the all Class/lab records reviewed for the four selected retrainees contained the necessary information required by ETP and the Class topics matched those contained in the Agreement's Curriculum. The review of the above sample also verified that the hours reported on RIVCOEDA's tracking records matched those contained within the applicable Class/lab Rosters.

SUBAGREEMENTS:

You previously provided an executed subagreement with University of Riverside, Extension to provide all class/lab training and indicated no others have been identified as of the date of this visit. The training subcontractor required information has been entered on the Subcontractor List, ETP 100D via ETP's on-line system.

AUDIT:

RIVCOEA will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or "review"). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)

- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding the information contained in this letter, please contact Carole Robinson at CRobinson@ETP.ca.gov or (619) 686-4971, within ten (10) working days from the receipt date of this letter.

Sincerely,



Krista Campion for Diana Torres



Carole Robinson, Contract Analyst
San Diego Field Office

cc: Kulbir Mayall, Manager, ETP Fiscal
Master File
Project File

Date report mailed to Contractor 12/12/08